**MEETING OF THE FULL CORPORATION**

**OF FAREHAM COLLEGE**

13th December 2017

**M I N U T E S**

**Present:** Ms K Allen

Mr K Briscoe

Miss E Champion

 Mr N Duncan

 Mrs B Farrer-Williams *(in attendance until item 10(i))*

 Mr P Grimwood (Vice-Chair)

 Miss Z Healey *(in attendance until item 10(i))*

 Mr R Kew (Chair)

 Mrs J Lancaster

 Mr M Mansergh

 Mr C Seaton

 Dr C Thomas

 Ms K Woods

**In attendance:** Mrs E Baxter (Director Finance & Funding)

Mrs J Eayrs (Clerk)

Mrs A Hinton (Executive Director HR)

Mr A Kaye (Deputy Principal)

**73/17 Presentation/demonstration on Governance Portal**

 Members of the Board received a presentation/demonstration on the Governance Portal by Mr McQueen, Head of Technical Services.

**74/17 Declaration of Interests**

 Members were reminded of the need to declare any personal or financial interest in any items of business to be considered during the meeting. No interests were declared.

**75/17 Apologies for absence and welcome to new members**

 Apologies for absence were received and accepted from Mr Hoban, Mr Marchbank, Mr Ramsay, Miss Ross-Barton, Mr Spires, Mrs Tilt and Mr Dingsdale (AP/MD CEMAST). The Chair welcomed Ms Allen and Mr Seaton, the Support Staff Governor and Teaching Staff Governor respectively, and the Student Governors to their first meeting of the Board:

* Britoni Farrer-Williams – Student President;
* Zena Healey – Student Vice-President.

Members noted that they would be ‘in attendance’ until their appointment to the Board had been confirmed under agenda item 10(i).

**76/17 Minutes of the Special meeting held on the 11th October 2017**

 The minutes of the special meeting held on the 11th October 2017 were agreed as a true and accurate record and were signed by the Chair.

**77/17 Matters arising from the minutes of the special meeting held on the 11th October 2017**

1. **Minute 67/17(i): Middle Management** – The Principal provided members with an update on the current position regarding the recruitment of middle management. Members noted that recruitment to the post of Head of Service Industries had been unsuccessful and, as a result, the post had been absorbed within the existing management structure.

**78/17 Confidential minutes of the special meeting held on the 11th October 2017**

 The confidential minutes of the special meeting held on the 11th October 2017 were agreed as a true and accurate record and were signed by the Chair. There were no matters arising from them which were not covered elsewhere on the agenda.

**79/17 Correspondence**

(i) **Letter from ESFA dated 18th October 2017** **re: Fareham College Financial Plan 2017 to 2019** - The Principal advised members that the letter from the ESFA had confirmed the College’s underlying financial grade as ‘Satisfactory’ for the 2016/2017 year and ‘Outstanding’ for the 2017/2018 (current budget year). Members also reviewed and noted the financial dashboard provided which incorporated various key performance indicators measured against both target benchmarks and benchmarks achieved in the sector.

(ii) **Letter from ESFA dated 9th November 2017**: **Early Intervention** – The Principal outlined the process of Early Intervention and the mechanism used to calculate and ‘trigger’ it. He explained that the drop in financial health to ‘Satisfactory’ was related to the repayment of the LEP loan. He went on to say that the ESFA were currently ‘actively engaged’ with the College to ascertain how the position would be managed. Mrs Baxter confirmed that, once the loan had been repaid, the ratio would ‘bounce’ back up to a healthy level and would return to ‘Outstanding’ as outlined in the ESFA letter dated 19th October 2017 mentioned above;

(iii) **Letter from Peter Launer, Chief Executive and Accounting Officer of ESFA, dated 17th November 2017** – Members reviewed and noted a letter from Peter Launer to all Chief Executives and Principals of Further Education Colleges. The Principal explained that the letter expressed Peter Launer’s concerns about accurate budgeting and that he urged leaders in the sector not to be over ambitious with their financial forecasting. The Principal advised members that, currently, 48% of colleges were returning deficit budgets.

**Members reviewed and noted the contents of the correspondence.**

**80/17 The Principal’s Autumn Term Report – December 2017**

 Members of the Board received the Principal’s Autumn Term Report 2017 which was confidential to members of the Board and which summarised key issues and developments in the work of the College during the autumn term and outlined the progress which had been made in taking forward the College’s Strategic priorities and the College Quality Improvement Plan for 2017/2018.

 The Principal spoke to the paper and provided an update in the following areas:

* 2017-2018 Performance;
* Learner numbers;
* Retention (classroom);
* Retention (Apprenticeships);
* Attendance (all);
* Budget 2017/2018;
* Full-time Applications 2018/2019;
* Risk Register;
* Human Resources
* Strategic priorities and quality improvement;
* Curriculum initiatives:
- International;
- CETC;
- Institute of Technology
* Successes;
* Key challenges identified for 2017/2018.

The Principal reminded members that the Deputy Principal would be presenting a curriculum and quality update later in the meeting and, as a result, he did not want to duplicate the issues outlined in that report. In view of that, the Principal drew the following to Governors’ attention:

* **Learner numbers** – holding at 3155 which was close to the previous academic year;
* **Retention (classroom)** – noted as 97.8%. The Principal highlighted the fact that 2.2% of the original study programme enrolments had withdrawn. Members reviewed and noted the reasons for leaving which had been profiled in the graph provided on page 1 of the report;
* **Retention (Apprenticeships)** – noted as 77.7%;
* **Attendance (all)** – Attendance remained a concern at 89.2% with some departments showing a very spikey weekly profile. Members reviewed the bar graph provided which outlined attendance by department. In particular, members noted that English and Mathematics still posed a significant challenge;
* **2017/2018 Budget** – Members reviewed and noted the key budgetary performance indicators;
* **2018/2019 Full-time Applications** – Members noted that applications for next year were tracking relatively strongly against the planned targets, although the Principal reported that the College was currently 40 behind the equivalent date the previous year. Members were reminded that the College had targeted to achieve 1660 full-time students for 2018/2019;
* **Risk Register** – Overall residual risk of 5.83 (low) was noted;
* **Human Resources** – The Principal reported that staff turnover remained a significant issue at 30%. Members noted that HR strategies to address this issue included a number of key actions related to retention incentives and reviewing staff conditions of service. It was anticipated that the 2% pay award would also help to reduce turnover;
* **International** – Members noted that the College continued to work on the international recruitment programme for China;
* **CETC** – Members were advised that the Civil Engineering Training Centre continued to develop with the support of the Solent Civil Engineering Employers’ Group (SCEEG). Members noted that the first cohort were progressing through their apprenticeships and were due to complete in February 2018 when another cohort were planned to commence;
* **Institute of Technology –** Members were advised that the prospectus for the application to become an Institute of Technology had been released and the College was working on developing an application with its partners to submit by the deadline of March 2018;
* **Successes** – The Principal sought Board approval to extend support to two colleges for their respective Strategic College Improvement Fund (SCIF) bids. The Principal confirmed that both activities would be funded. The Board endorsed the Principal’s request to extend support to the two colleges for their SCIF bids.

**Members of the Corporation reviewed and noted the contents of the Principal’s Autumn term report December 2017.**

**81/17 Progress Review of Strategic Priorities and Quality Improvement Plan 2017/2018**

 Members of the Board received a paper which provided the first of three progress reviews of the Strategic Objectives for 2017/2018. The Principal spoke to the paper and referred members to the ‘red’ objectives which represented little or no progress and which related to:

* **10: Sustained growth in HE student numbers** – Members noted current HE numbers of 204 compared to 184 in the previous year but against a target of 250;
* **12: Continue with internal apprenticeship programme** – Members noted that the College was currently reviewing its apprenticeship offer to assess every future vacancy for the potential to convert to an Apprenticeship opportunity;
* **13**: **Sustain staff morale and wellness at work** – Members noted that the ‘Wellbeing Plan’ was in full operation;
* **18: Stable Finances: Staff costs to turnover ratio not to exceed 60%** - Actual staff costs to turnover ratio noted as 60% compared to budget of 57%.

 **Members reviewed and noted the progress that had been achieved during the first part of the academic year.**

**82/17 Curriculum and Quality Update: Autumn Term 2017**

 Members of the Board received a paper which provided a Curriculum and Quality Update and which summarised the current progress of key areas. The Deputy Principal spoke to the paper and highlighted the fact that the College was in a strong position and had had a successful year, particularly in view of the OFSTED outcome. He went on to say that the Inspection report was very positive and was a fair reflection of where the College was as an organisation, in particular, high achievement rates, students into employment and acknowledgement that the College was meeting local need.

 **Members of the Board reviewed and noted the contents of the Curriculum and Quality Update and commended the Deputy Principal for the informative but brief format of his report.**

**83/17 The Self-Assessment Report 2016/2017**

 Members of the Board received the Self-Assessment Report 2016/2017 – Executive Summary. Members were aware of the recent inspection outcome and published report which confirmed the SAR as an accurate portrayal of the College’s position and which had been fully scrutinised and endorsed by Ofsted.

Members were advised that a minor amendment to the front page had been proposed by the TSC&Q Committee regarding the revised grade profile following the inspection and it was noted that the document was recommended for formal approval by the Board.

**Members of the Board formally approved the College Self-Assessment Report 2016/2017.**

**84/17 HE Executive Summary for Annual Quality Assessment Assurances**

 Members of the Board received an HE Executive Summary for Annual Quality Assessment Assurances. Members were reminded that the document had been reviewed and considered by the TSC&Q Committee at its November meeting in order to meet the submission deadline of 1st December.

The Deputy Principal spoke to the paper and drew the following to members’ attention:

* He reminded members of the requirement on Governing Bodies to provide confirmation/assurance about the student academic experience on an annual basis and the deadline for submission was 1st December;
* Powers to provide assurance on behalf of the Board had been delegated to the Teaching, Students, Curriculum and Quality Committee and, as a result, the Board had acknowledged that this would be a retrospective report;
* The Deputy Principal confirmed that the TSC&Q Committee had received and discussed a report and accompanying action plan related to the continuous improvement of the student academic experience and student outcomes. This included evidence from the provider’s own periodic review processes, which fully involved students and included embedded external peer or professional review.

**Members of the Board noted that the TSC&Q Committee had formally agreed to provide assurance to the full Corporation that the College was effectively managing and delivering on quality assurance and enhancement related to the HE student academic experience and student outcomes.**

**85/17 English and Mathematics Strategy 2017-2018**

 Members of the Board received the English and Mathematics Strategy 2017/2018 for consideration and review. The Deputy Principal spoke to the paper and advised the Committee that, broadly, the strategy was working and improvements were being secured within these areas.

**Members of the Board formally approved the English and Mathematics Strategy 2017-2018 as recommended by the TSC&Q Committee.**

**86/17 Safeguarding Policy and Procedure**

 Members of the Board received the Safeguarding Policy and Procedure. Members were advised that the changes which had been added under ‘Definitions of Abuse’ related to Female Genital Mutilation (FGM).

              **Members of the Board formally approved the Safeguarding Policy and Procedure as recommended by the TSC&Q Committee.**

**87/17 Policy for Preventing Extremism and Radicalisation**

Members of the Board received the Policy for Preventing Extremism and Radicalisation. Members were advised that this Policy was one element within the overall College arrangements to safeguard and promote the welfare of all students in line with its statutory duties. In addition, members noted that the policy also drew upon the Government’s ‘Prevent’ agenda and associated briefing sheet, ‘Prevent violent extremism’ and DfE Guidance ‘Keeping Learners Safe in Education, 2014’.

              **Members of the Board formally approved the Policy for Preventing Extremism and Radicalisation as recommended by the TSC&Q Committee.**

**88/17 Management Accounts at 31st October 2017**

 Members of the Board received a confidential paper on the Management Accounts at 31st October 2017. The Director of Finance and Funding spoke to the paper and advised the Board that the October Management Accounts had been based on the actual RO3 submission. In presenting the paper she drew the following to members’ attention:

* I&E operating **deficit** year-to-date of £147k against a Budget **deficit** year-to-date of £211k (prior year deficit of £108k);
* Historic surplus of £54k;
* Actual income was currently below budgeted targets by £405k. The main reason for this was under achievement of AEB funding targets of £114k and apprenticeship enrolment of £202k based on expected recruitment trends;
* The Senior Management Team had developed an income recovery plan to recover the budgeted position. As a result, the forecast year-end position was a £62k surplus. The detailed forecast position (both worst case and likely case) were attached as Appendix 1b to the paper and which reflected a worst case position of £854k deficit and likely forecast position of £62k surplus;
* Staff to income ratio was reported at 60.2% (compared to budget of 56.6%);
* Actual cash - £3.6m per cash flow statement compared to the previous year £3.8m;
* Balance sheet (reconciled cash - £3.6m (105 cash days) compared to £2.7m and 81 cash days the previous year);
* The debt service covenant and the interest cover covenant had not been achieved;
* The enrolment of apprentices against budgeted targets was being closely monitored to ensure they were met. Members sought clarification on how the apprenticeship recruitment target would be met. Mrs Baxter referred members to an apprenticeship numbers versus income graph which portrayed how the target would be achieved. She reminded members that the income value was reduced the later in the year the apprentices were recruited. Members were reminded that the College was 10% up on apprenticeship recruitment against a national decline of 59%. The Principal confirmed that every effort would continue to be made to secure the 940 apprentices required to achieve the budget target. There was a brief discussion regarding whether the budget should be based on fact or aspiration. Members acknowledged that the only way to survive was to challenge itself and set ambitious targets;
* Mrs Baxter outlined the forecast position for the year-end and explained the risks associated with it and the assumptions used. Members noted that, currently, the budget surplus position of £55k was still being forecast to be achieved. Mrs Baxter confirmed that, if the assumptions built into the forecast were not achieved, the final out-turn would be a deficit position.

At this point the Chair stated that the Board had taken a calculated risk in previous years and had approved budgets based on securing significant in-year apprenticeship growth. He went on to say that it had not been expected that the changes in the apprenticeship funding would trigger a sector wide decline of 59%. He emphasis`ed the fact that the College was performing well against the market and should be proud of that. However, members acknowledged that, if the current trend continued the Board would need to consider “what happens next?”. A discussion regarding the financial challenges being faced by other colleges in the region and potential partnership opportunities followed.

**Members of the Board reviewed the contents of the paper and noted the current position**

**89/17 HR Strategy Update**

 Members of the Board received the Human Resources Strategy 2017-2020 for consideration and review. Mrs Hinton, Executive Director HR spoke to the paper and drew members’ attention to the following:

* The Strategy had been updated in line with the current Strategic Plan and had been influenced by internal and external factors;
* The Strategy was supported by Annual Development Plans and Service Level Agreements;
* Mrs Hinton drew members’ attention to the areas the Strategy particularly focussed on:
- organisational structure and supporting systems and processes;
- Attracting and retaining highly qualified staff;
- performance management;
- management competence;
- development of the culture required to deliver the College’s Strategy.

**Members of the Board formally accepted the recommendation of the F&R Committee and approved the Human Resources Strategy 2017-2020.**

**90/17 Membership Issues and Report of the Search Committee**

Members of the Board received and reviewed a paper on Membership Issues and Report of the Search Committee. The paper outlined the issues which had been considered by the Search Committee at its last meeting in November 2017 and the recommendations which were made for formal approval by the Board were as follows:

1. **Members reviewed the contents of the paper and noted the current membership position as outlined in Appendix A to the paper;**
2. **Formally accepted the recommendation of the Search Committee and agreed to re-appoint Dr Chris Thomas to the Board to serve for a second term of office from 01.01.18 to 31.12.20;**
3. **Formally confirmed the appointment of Britoni Farrer-Williams, Jennifer Ross-Barton and Zena Healey to the Board as the Student Governors to serve from 13th December 2017 to 31st December 2020 or until they ceased to be a student of Fareham College, whichever came first;**
4. **Formally confirmed the appointment of Mr Chris Seaton and Ms Karen Allen as the Teaching Staff Governor and Support Staff Governor, respectively, to serve from 13th December 2017 to 31st December 2020 or until they ceased to be a member of staff, whichever came first;**
5. **Formally approved the Membership of Corporation Committees as outlined in Appendix B to the paper;**
6. **Noted the position regarding the memberships which were due to come under review during the Autumn term 2018 and the related actions.**

**91/17 Annual Report on Safeguarding – December 2017**

 Members of the Board received the Annual Report on Safeguarding – December 2017 which provided Governors with an annual overview of the College’s Safeguarding Policies and Processes and the support and training that was available for students and staff.

 Mrs Sommers provided members with a briefing on Safeguarding to ensure that they fully understood their role related to this area. In presenting the report she drew the following to members’ attention:

* The guidance ‘Keeping Children Safe in Education’ placed statutory requirements on all governing bodies to make sure that their college had policies and procedures in place;
* Governors had a duty to have read and understood Part 1 of the guidance. It was agreed that this would be circulated to Governors electronically and members were invited to email the Clerk to confirm they had read and understood it;
* Members were reminded that the Chair of TSC&Q Committee, Alastair Ramsay, was the designated Governor responsible for safeguarding and he undertook a termly check of the Single Central Register;
* Updates to safeguarding for staff had taken place throughout the year and all staff were up-to-date with the online modules for safeguarding and PREVENT;
* All members of the Safeguarding Team had updated their training and would continue to do so on an annual basis. Members were advised that more specific training would be offered to staff who had prolonged contact with the more ‘vulnerable’ students or students who were deemed at a greater risk;
* The Board were provided with a brief summary of how the College was raising awareness amongst students and how a range of topics were included in the tutorial programme and associated resources made available via Oracle. Members were advised that Student Focus Groups were currently exploring ‘how safe do our students feel’ and responses received to date had been extremely positive. In addition, the Principal highlighted the success of the ‘Safe Drive Stay Alive’ presentation which had been attended by more than 500 College students and which had been delivered in partnership by Hampshire Police, the local Council and other emergency services;
* Members noted that the number of students seeking emotional support during 2016/2017 had decreased by 20% which could be attributed to a number of factors which were outlined by Mrs Sommers;
* Mental health issues amongst students continued to be the greatest concern for the College with self-harm being one of the unhappy outcomes for such illnesses for which there was very little support available;
* Developments planned for 2017/2018 were reviewed and noted.

At the end of the briefing, Mrs Sommers stated that significant progress had been made during the 2016/2017 year. She went on to say that the impact of this was that students would feel safe and be safe, not just at College but when they were at home or in the community. She reiterated the fact that the recent Ofsted inspection had confirmed that ‘safeguarding’ was highly effective.

**Members of the Board reviewed and noted the contents of the paper and formally approved the Annual Safeguarding Report – December 2017.**

**92/17 Annual Report on Equality and Diversity – December 2017**

 Members of the Board received the Annual Report on Equality and Diversity – December 2017 which provided Governors with an annual overview of the College’s Equality and Diversity practices, procedures and performance in relation to staff and students.

 Mrs Sommers spoke to the report and drew the following to members’ attention:

* The College was committed to promoting equal opportunities for all members of its community and its commitment underpinned all the College’s work with students and staff;
* Equality and Diversity must be seen to embrace a very wide range of key issues in the sector, such as inclusive learning and widening and increasing participation as well as ensuring that the College complied fully with all legislation;
* The key issue for Governors was in the reporting on Equality and Diversity and whilst this affected all aspects of College life and would, therefore, be reflected in the work of the Corporation Committees, the full Board would want to be assured of the progress being made and that the College was complying with legislation;
* The Wellbeing Committee continued to oversee Equality and Diversity as part of its overall responsibilities and it received regular reports and recommendations from the Equality and Diversity Working Group;
* Members reviewed and noted the achievements in 2016/2017;
* Members noted that, during the 2016/2017 academic year, a set of impact measures (EDIMs) had been developed and published to ensure that specific groups of students were monitored and supported to progress in line with their peers.

**Members of the Board reviewed the contents of the paper and formally approved the Annual Equality and Diversity Report – December 2017.**

**93/17 Attendance Statistics 2016/2017**

Members of the Board received a paper on the Corporation Attendance Statistics for 2016/2017. The Clerk spoke to the paper and advised members that the figures provided included data related to all meetings (including additional special meetings) and calendared only meetings (excluding additional special meetings).

Members reviewed the contents of the paper and noted that, during the course of the year, there had been four full Corporation meetings with the following attendance:

* 5th October 2016 (special) – 79%;
* 7th December 2016 – 87.5%;
* 5th April 2017 – 87.5%
* 28th June 2017 – 69%.

The mean average attendance had been reported as follows:

* All meetings – 81% (same as the previous year);
* Calendared meetings only (excluding special meetings) – 81% (same as the previous year).

 **Members reviewed and noted the contents of the paper.**

**94/17 Annual Report of the Risk Management Group - November 2017**

 Members of the Board received the Annual Report of the Risk Management Group – November 2017. Governors were aware that the College was required to submit an annual report to the Audit Committee and the Corporation on Risk Management in order to establish the College’s compliance with the Turnbull Committee’s recommendations.

The Principal spoke to the paper and advised members that the report was an annual ‘reflection’ of the work completed and the issues reviewed by the College’s Risk Management Group during the course of the year. Members noted the risk themes which had been considered during 2016/2017 had included:

* Student Numbers and Allied Funding;
* IT Capacity and capability;
* Quality of provision;
* Middle Management capability and capacity;
* Health and Safety.

The Principal confirmed that, during the year, each Corporation Committee had received a report of the College’s top risks which were their responsibility to review along with the mitigation to reduce the risks identified.

Members were advised that the Audit Committee had agreed to recommend that the College’s Risk Management arrangements continued to be adequate to enable the Corporation to discharge its duties.

**Members of the Board reviewed the contents of the paper and accepted that the College's Risk Management arrangements were appropriate and adequate to enable the Corporation to discharge its duties.**

*Mr Seaton left the meeting at this point.*

**95/17 The Annual Report of the Audit Committee to the Corporation 2016/2017**

Members of the Board received the Annual Report of the Audit Committee to the Corporation and Principal of Fareham College for the Financial Year 2016/2017. Members noted that the purpose of the Report was to advise the Board on the activities of the Audit Committee and the effectiveness of the whole internal control system of the College and its arrangements for risk management, control and governance during the year as required by The Joint Audit Code of Practice.

Governors noted that the report reflected the views of the Committee which stated that the internal control systems operating within the College were adequate and the responses of the management in respect of Internal and External Auditors were satisfactory. It was noted that the Audit Committee had agreed to recommend the Annual Report for formal approval by the Full Corporation.

**Members of the Board reviewed the Report and noted the discussions which had taken place at the Audit Committee during 2016/2017. Governors accepted and formally approved the Annual Report of the Audit Committee 2016/2017.**

**96/17 Internal Audit Annual Report 2016/2017**

 Members of the Board received the Internal Audit Annual Report 2016/2017 from the Internal Audit Service Provider, Mazars. Members noted that the report provided a summary of Internal Audit activities and outcomes during the last 12 months and page 2, Section 3 of the Report outlined the ‘Annual Opinion’ provided by the Internal Auditors.

Members’ attention was drawn to the following:

* **Internal Audit Service** – The College had chosen to retain a full scope internal audit service for 2016/2017 which enabled Mazars to provide an Annual Opinion on the College’s arrangements for risk management, internal control and governance;
* **Purpose of Internal Audit** – The purpose of internal audit was to provide the Corporation, through the Audit Committee and the Principal (as Accounting Officer), with an independent and objective opinion on risk management, control and governance and the College’s effectiveness in achieving its agreed objectives;
* **Internal Audit Work undertaken in 2016/2017** – Members noted that 26 days (including 3 days follow-up, 4 days Audit Management) had originally been agreed by the Audit Committee at its meeting on the 21 November 2016. Members noted that, whilst there had been some changes in fieldwork dates during the period due to operational reasons, all planned audits from the Plan had been completed during the year;
* **Summary of Internal Audit Work undertaken in 2016/2017** – Members were referred to page 10 of the report which provided a detailed summary of the internal audit work undertaken during 2016/2017:
- Subcontracting Controls – n/a;
- Recruitment, Retention and Succession Planning – Substantial;
- Learner Journey – substantial;
- Core Financial Systems: New Finance System – Adequate.
* **Priority 2 Recommendations** – Members reviewed and noted the summary of priority 2 recommendations provided at Appendix A2 to the report.

Governors were aware that it was important for the Board to confirm that assurance had been provided by the Internal Auditors prior to the consideration and approval of the College’s Financial Statements. In particular, section 3 of the Report stated the opinion of Mazars which confirmed that governance, risk management and internal control arrangements were generally adequate and effective to manage achievement of the College’s objectives and no fundamental weaknesses had been highlighted by the audit work completed.

 **Members of the Board noted the assurance of the Internal Auditors that adequate and effective governance, risk management and internal control arrangements were operating in practice and formally approved the Internal Audit Annual Report 2016/2017.**

**97/17 Financial Statements Year ended 31 July 2017, Audit Findings Report and Letter of Representation**

 Members of the Board received a copy of the audited Accounts 2016/2017 for consideration and approval. Members also received the Audit Findings Report from Grant Thornton, the Financial Statements Auditor, and a copy of the Letter of Representation.

Mrs Baxter, the Director for Finance and Funding spoke to the paper and drew members’ attention to the following:

* **The final out-turn position** was a deficit position of £505k which was a significant improvement compared to previous forecasts;
* **Pensions -** The College had increased its service costs. Mrs Baxter confirmed that the forecast had been £150k out which had been an effect of the ‘auto-enrolment’;
* **ESFA financial health rating** had been reduced to ‘Satisfactory’. Mrs Baxter reminded members of the previous forecast ‘worst case scenario’ and the significantly improved final out-turn position due to good management control;
* **Balance sheet** – Members were referred to the Balance Sheet on page 30. Mrs Baxter highlighted the fact that creditors with amounts falling due within one year was higher than normal due to the LEP loan repayment;
* **The Financial Statements** had been reviewed and audited in detail and were commended to the Committee for consideration and recommendation to the Board.

 Members reviewed and noted the Audit Findings Report and reviewed and approved the Letter of Representation for signature by the Chair.

 **Members of the Board formally approved the Financial Statements 2016/2017, the Audit Findings Report and the Letter of Representation for signature by the Chairman and the Principal for onward transmission to the ESFA by the 31st December 2017.**

**98/17 Self-Assessment of Compliance with Regularity and Propriety Requirements**

Members of the Board received the Self-Assessment Questionnaire for consideration and review. The Board were advised that the document had been considered by both the Finance and Resources and Audit Committees at their November meetings and both had agreed to recommend it for formal approval by the Board.

 **Members reviewed the contents of the paper and formally approved the Self-Assessment Questionnaire as recommended by the Finance and Resources and Audit Committees.**

**99/17 Annual Health and Safety Report to the Corporation 2016/2017**

Members of the Board received a paper on the Annual Health and Safety Report 2016/2017 (including Accident Statistics at Appendix 1 to the paper). Members reviewed the health and safety overview provided for 2016/2017 and noted the developments and improvements which had been secured during the year.

 **Members of the Board reviewed and noted the contents of the Annual Health and Safety Report 2016/2017 and formally approved it as recommended by the Finance and Resources Committee.**

**100/17 Termly Reports of Corporation Committees and Items for Information**

 Members of the Board had received the following items for information which had been circulated electronically in advance of the meeting:

* Termly Report of the TSC&Q Committee;
* Termly Report of the Finance & Resources Committee;
* Termly Report of the Audit Committee;
* Minutes of the Marketing Working Group from the 13th November 2017 meeting;
* Minutes of the Wellbeing Committee meeting held on the 6th November 2017;
* Meeting Notes from the Staff Liaison Committee (SLC) (BRC) 27th September 2017;
* Meeting Notes from the SLC (CEMAST) 28th September 2017;
* Meeting Notes from the Student Board 16th October 2017;
* Meeting Notes from SLC (BRC) 29th November 2017;
* Meeting Notes from SLC (CEMAST) 30th November 2017.

**101/17 Recruitment of the Principal and Chief Executive**

*Executive Officers and Staff and Student Governors withdrew for this item****.***

Members of the Board received a strictly confidential report on the Recruitment of the Principal and Chief Executive. Due to the strictly confidential nature of the contents of the report and the related discussions, this minute is recorded as a separate strictly confidential minute for Governors who are not staff and students only.

**102/17 Date of next meeting**

 In accordance with the approved Corporation Calendar 2017/2018, it was noted that the next scheduled meeting of the full Corporation was due to take place on **Wednesday 28th March 2018 at 4.30pm.**